

## **Minutes of the Finance Committee**

**Wednesday, November 5, 2014**

Chair Heinrich called the meeting to order at 8:30 a.m.

**Present:** Supervisors Jim Heinrich, Duane Paulson, Richard Morris, Steve Whittow, Bill Zaborowski, Eric Highum, and Larry Nelson.

**Also Present:** Chief of Staff Mark Mader, Legislative Policy Advisor Sarah Spaeth, Budget Manager Linda Witkowski, Administration Director Norm Cummings; Mary Emery and Marilyn and Milt Hagerstrand of the Waukesha Preservation Alliance; City of Brookfield Mayor Steve Ponto, City of Brookfield Public Works Director Tom Grisa, County Board Supervisors Dave Swan, Kathleen Cummings, and Janel Brandtjen; Matt Masterson of The *Freeman*, Budget Specialist Bill Duckwitz, Senior Financial Analyst Aaron Daul, Business Manager Lyndsay Johnson, Deputy Inspector Jim Gumm, County Board Chair Paul Decker, Public Works Director Allison Bussler, Senior Civil Engineer Bruce Barnes, Parks & Land Use Director Dale Shaver, Architectural Services Manager Dennis Cerreta, Corporation Counsel Tom Farley, Purchasing/Risk Manager Laura Stauffer, and Attorney Nick Kotsonis. Recorded by Mary Pedersen, County Board Office.

### **Approve Minutes of Previous Meeting(s)**

MOTION: Morris moved, second by Zaborowski to approve the minutes of October 22, 24, and 27. Motion carried 7-0.

### **Schedule Next Meeting Date**

- 11-19-14

### **Review Estimated 2014 Governmental Fund Balances (General, Special Revenue, Capital, Debt)**

Cummings distributed information on general and special revenue fund expenditures and unassigned fund balance. The County will maintain unrestricted fund balances to provide necessary working capital to avoid cash flow interruptions and short-term borrowing to fund daily operations and to maintain the County's Aaa/AAA bond ratings. Fund balance reserves will not be used to offset continuous operation costs. The unrestricted governmental fund balance (general and special revenue) to governmental expenditure ratios will be maintained at a minimum of 11%. The current target is between 15 and 16% or about eight weeks of working capital for operations. The unassigned fund balance budgeted for 2015 is \$30,601,592 or 15.9%. This does not include unrealized gains or losses on investments. Cummings noted unassigned fund balance includes cash and assets. Cummings distributed information from Moody's Investors Service confirming the County's Aaa bond rating and issues that could impair one's Aaa bond rating, and 2015 revenue highlights from the proposed 2015 budget book.

### **Discuss and Consider Additional Individual Supervisor Amendments**

Supervisor Amendment SUP-1 as proposed by Supervisor Highum

Department: Capital Projects

Fund: Capital Projects Fund

I move to amend the 2015 Capital Budget as follows: Eliminate the first-year appropriation for Capital Project #201008 (expand and widen County Highway (CTH) MM, from CTH YY to East County Line) of \$1,098,000 budgeted. In addition, modify the 2015 Capital budget by reducing funding by \$1,098,000.

MOTION: Highum moved, second by Whittow to approve Amendment SUP-1.

Ponto distributed copies of a letter to the County Board from him and two other City officials. Ponto read the letter aloud which listed their reasons for supporting this project. Ponto, Grisa, N. Cummings, and Bussler also spoke in support of the project. Highum proposed this amendment to remove it from the capital projects plan. He believes the project is unwarranted whereby he explained his opposition and asked the funding be delayed. The committee and staff discussed and debated the amendment at length. Paulson called for the question.

Motion defeated 1-6. Highum voted yes.

Supervisor Amendment SUP-2 as proposed by Supervisor Brandtjen

Department: All Departments

Fund: Multiple

I move to amend the 2015 Operating Budget to reduce tax levy as follows: Decrease the salary budget for County employees by \$300,000, except for employees in the Sheriff's Department covered by a labor contract. Budget reductions will be applied to departments in proportion to the amount of general County levy budgeted in each department's salary lines.

Brandtjen discussed her amendment and N. Cummings and Gumm spoke in opposition. The committee and staff discussed and debated the amendment at length.

MOTION: Highum moved, second by Whittow to approve Amendment SUP-2. Motion defeated 1-6. Highum voted yes.

Supervisor Amendment SUP-3 as proposed by Supervisor Brandtjen

Department: Capital Projects

Fund: Capital Projects Fund

I move to amend the 2015 Capital Budget as follows: Modify capital project #200824, Pavement Management Plan 2013-2017 (administered by the Parks and Land Use Department), to reduce expenditure appropriations by \$300,000. In addition, modify the 2015 Capital budget by reducing base tax levy by \$300,000.

Brandtjen read her amendment aloud.

MOTION: Highum moved to approve Amendment SUP-3. The amendment died due to a lack of a second.

Supervisor Amendment SUP-4 as proposed by Supervisor Brandtjen

Department: Sheriff's Department

Fund: General Fund

I move to amend the 2015 Sheriff's Department – General Patrol Budget as follows: Appropriate \$600,000 of Tarmann Parkland Acquisition Fund Balance and apply it to the Sheriff's Department General Patrol budget to reduce general County tax levy in this program by \$600,000.

Brandtjen read her amendment aloud.

MOTION: Highum moved to approve Amendment SUP-4. The amendment died due to a lack of a second.

Supervisor Amendment SUP-5 as proposed by Supervisor Zaborowski

Department: Health and Human Services-Criminal Justice Collaborating Council (CJCC)

Fund: General Fund

I move to amend the 2015 operating budget as follows: Increase operating expense appropriation in the Health and Human Services – Criminal Justice Collaborating Council (CJCC) by \$50,000 to provide for additional program participants and increase client fees by \$3,000 and increase tax levy by \$47,000.

This amendment was defeated at the October 27 Finance Committee meeting but will go on as an individual supervisor amendment. It was included for informational purposes.

Supervisor Amendment SUP-6 as proposed by Supervisor K. Cummings

Department: Capital Projects

Fund: Capital Projects Fund

Supervisor: K. Cummings

I move to amend the 2015 Capital budget as follows: Modify capital project #201503, to preserve the buildings located on the original historic Grandview Health Resort (constructed 1911) and two subsequent wings (added in 1921 and 1928), limiting demolition in 2015 to the east wing building (constructed in 1963). This will provide approximately 70 additional public parking spaces for clients of HHS programs during peak periods. The additional parking will also allow staff, including those who work evenings, to park closer to the staff entrance, enhancing the safety and security of the site. Modify the 2015 capital project budget by reducing expenditures and capital project fund balance by \$1,785,000 to reflect the limited scope of demolition.

K. Cummings read aloud her amendment and discussed same. Emory spoke in support of the amendment. Paulson spoke in support of razing the entire building. Bussler said it is possible the County Executive could support the amendment although questions remained and asked that they be addressed today. She stressed that goals, timelines, and the scope for a future RFP(s) needs to be determined which she and Shaver explained further. The committee and staff discussed and debated the amendment at length.

MOTION: Nelson moved, second by Morris to approve Amendment SUP-6. Motion carried 7-0.

Supervisor Amendment SUP-7 as proposed by Supervisor K. Cummings

Department: Department of Public Works (DPW)

Fund: General Fund

I move to amend the 2015 Department of Public Works – General Fund budget as follows:

Increase operating expenditures by \$58,000 to cover additional facility expenses needed to maintain the former HHS building, including utility, housekeeping and other maintenance costs. In addition, increase interdepartmental Risk Management charges by \$16,000 to cover additional property insurance liability costs. These additional costs for 2015 will be covered with a one-time increase in appropriated General fund Balance. The original budget request was developed assuming the building would be demolished as directed in County Board Resolution 168-R-007.

K. Cummings briefly discussed her amendment and the committee and staff discussed and debated same. Paulson said it was important to hear input from neighbors of the building as to how a new development such as an apartment complex could affect them.

MOTION: Whittow moved, second by Nelson to approve Amendment SUP-7. Motion carried 7-0.

**Ordinance 169-O-070: Adopt 2015 Waukesha County Budget**

MOTION: Nelson moved, second by Morris to approve Ordinance 169-O-070 as amended.  
Motion carried 7-0.

**Closed Session**

MOTION: Paulson moved, second by Nelson to go into closed session at 11:48 a.m. pursuant to Wis. Stat. 19.85(1)(g), to confer with legal counsel concerning strategy to be adopted with respect to pending litigation and discuss possible settlement regarding Schlei, Kerry vs. Waukesha County (Workers Compensation), and approve closed session minutes of August 6, 2014. Motion carried 7-0.

The Committee may reconvene in open session for the following purposes: Consider ratification of strategy or settlement discussed in closed session and adjourn. No action was taken as this issue will also be discussed in closed session at a future County Board meeting.

**Future Agenda Items**

- Educational Presentation on SEWRPC and Guidelines for Road Expansions (Nelson)

MOTION: Paulson moved, second by Nelson to adjourn at 12:04 p.m. Motion carried 7-0.

Respectfully submitted,

William J. Zaborowski  
Secretary